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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

Case No.: 3:24-cv-00065-MMD-CLB

JANE DOE;

Plaintiff,

v.

JOSEPH LOMBARDO, Governor of Nevada,  
in his official capacity; AARON FORD,  
Attorney General of Nevada, in his official  
capacity; NYE COUNTY; ELKO COUNTY;  
STOREY COUNTY; WESTERN BEST, INC.  
D/B/A CHICKEN RANCH; WESTERN  
BEST, LLC; DESERT ROSE CLUB, LLC;  
HACIENDA ROOMING HOUSE, INC.  
D/B/A BELLA'S HACIENDA RANCH;  
MUSTANG RANCH PRODUCTIONS, LLC  
D/B/A MUSTANG RANCH LOUNGE, LLC;  
LEONARD "LANCE" GILMAN, in his  
official capacity; and LEONARD "LANCE"  
GILMAN, in his individual capacity,

Defendants.

**REPLY IN SUPPORT OF MOTION  
FOR SANCTIONS [ECF NO. 173]**

Defendants MUSTANG RANCH PRODUCTIONS, LLC and L. LANCE GILMAN in his individual capacity (together, "Mustang Defendants"), by and through their counsel of record Courtney G. Sweet, Esq., file this Reply in Support of Motion for Sanctions against Plaintiff's counsel pursuant to 28 USC § 1927 and this Court's inherent authority. This Reply is made and based upon the following memorandum of points and authorities, the pleadings and papers on file in this case, and any oral argument the Court chooses to entertain.

## MEMORANDUM OF POINTS AND AUTHORITIES

### I. Argument

In its Opposition, Doe claims that the Motion for Sanctions was based entirely on Doe's unsuccessful request to remain anonymous and that the Mustang Defendants gave no examples of Doe Counsel's bad faith in this lawsuit. As the original Motion plainly shows, neither of these claims are correct.

Doe's Counsel filed this lawsuit fully knowing that at least one of its three causes of action had no chance of success. Nevertheless, they filed that cause of action against the Mustang Defendants, then published dramatic press releases and websites touting a claim that it knew could not be supported in a court of law. Doe's Counsel also dropped any remaining claims they had against the Mustang Defendants as soon as this Court rejected Doe's request for anonymity but have continued to use those claims to harass and slander the Mustang Defendants.

Critically, **the Mustang Defendants have no way of knowing whether Jane Doe even exists**. Neither the Mustang Defendants nor this Court also have any way of knowing whether any of Doe's allegations would pass FRCP 11 muster. Doe and Doe's Counsel have simply walked away from their claims against the Mustang Defendants in this lawsuit but have continued to advertise those claims on their website and use them to drive donations to NCSE.

Doe's Counsel has been allowed to use this Court and the Mustang Defendants to raise millions of dollars by filing claims that they knew could not be supported. The Mustang Defendants have spent tens of thousands of dollars defending themselves from a lawsuit that should never have been filed. This kind of behavior is exactly what 28 U.S.C. § 1927 and this Court's inherent sanction authority exist to address.

*A. Doe's Counsel engaged in bad faith by knowingly and recklessly raising frivolous arguments against the Mustang Defendants.*

As stated at length in the original Motion, Doe's counsel has first demonstrated its bad faith by knowingly and recklessly raising frivolous arguments. The 2019, 2021, and 2024 Lawsuits all asserted nearly identical causes of action that sought to outlaw prostitution in this state, and each of those causes of action were dismissed for the same reasons.

1 In the 2024 Lawsuit, Doe sued the Mustang Defendants for “Violating the Thirteenth  
 2 Amendment Ban on Slavery” despite having that exact same claim dismissed in the 2021 Lawsuit  
 3 because the Thirteenth Amendment does not contain a private right of action. Indeed, the court in the  
 4 2021 Lawsuit stated that “The plaintiffs seem to concede that there is no free-standing private right  
 5 of action under the Thirteenth Amendment . . .” in its Order dismissing that claim against those brothel  
 6 defendants. (2021 Lawsuit, ECF No. 171 at p. 11). **Despite already acknowledging that there is no**  
 7 **private right of action under the Thirteenth Amendment in the 2021 Lawsuit and having that**  
 8 **claim dismissed, Doe and Doe’s Counsel still filed the exact same claim against the Mustang**  
 9 **Defendants in the 2024 Lawsuit and then used that claim as a basis for its press releases and**  
 10 **fundraisers.** This is the very definition of knowingly and recklessly raising frivolous arguments.

11 First, NCSE repeatedly used the claim of a violation of the Thirteenth Amendment throughout  
 12 the press release it issued announcing the 2024 Lawsuit. In its February 8, 2024 press release, NCSE  
 13 references its claims for a violation of the Thirteenth Amendment four separate times:

- 14 1. “State-Enabled Sex Slavery Exposed by Nevada Brothel Lawsuit”
- 15 2. “Sex Trafficking Survivor Sues Nevada, Government Officials, Brothels, and Brothel  
 16 Owner/County Commissioner for Violating 13th Amendment”
- 17 3. “The lawsuit asserts the defendants violated the 13th Amendment’s ban on slavery and  
 18 involuntary servitude and the Trafficking Victims Protection Act.”
- 19 4. **“‘The conditions in the brothels that prostituted Jane Doe were deeply coercive:  
 20 designed to keep her indebted to them and under their control. Nevada has violated  
 21 the 13th Amendment’s ban on slavery and involuntary servitude,’ said Christen Price,  
 22 senior legal counsel, National Center on Sexual Exploitation.”** (emphasis in original).

23 Press Release, attached as Exhibit “1.”

24 NCSE’s fundraising website about both the 2024 Lawsuit and the 2021 Lawsuit<sup>1</sup> also  
 25 prominently features numerous claims regarding a purported violation of the Thirteenth Amendment:

- 26 1. “End Slavery In Nevada”

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<sup>1</sup> <https://endsexualexploitation.org/nevada-is-not-safe-for-women/>

- 1 2. Regarding the 2024 Lawsuit: “The lawsuit argues that what Jane Doe experienced at the  
2 Nevada brothels is a violation of the 13th amendment—it is slavery in the form of sex  
3 trafficking.”
- 4 3. Regarding the 2021 Lawsuit: “Nevada’s prostitution scheme, including the way it is  
5 promoted and advertised, conflicts with tough federal laws that ban sex trafficking as well  
6 as the Thirteenth Amendment’s ban on any form of slavery or involuntary servitude upon  
7 which the federal anti-trafficking law is grounded.”
- 8 4. “[L]egalized prostitution violates the United States Constitution by enabling slavery.”
- 9 5. “Spread the Word to End Slavery”
- 10 6. “Download powerful graphics to share on social media and help spread the word to shut  
11 down sex slavery in Nevada.”
- 12 7. “What is the 13th Amendment? The Thirteenth Amendment to the U.S. Constitution  
13 forbids all forms of slavery and involuntary servitude from existing in the United States,  
14 except as a punishment for crime. It was ratified in 1865 to abolish slavery following the  
15 Civil War. Even though slavery was illegal after the Amendment’s ratification, states  
16 continued to create conditions of de facto slavery through various laws, including contract  
17 laws.”
- 18 8. “How does the 13th Amendment Apply to Brothels in Nevada? Nevada is violating the  
19 Thirteenth Amendment by creating conditions that enable slavery, specifically in the form  
20 of sex trafficking and involuntary sexual servitude.”
- 21 9. “Men travel to Nevada to buy sex because they incorrectly believe it is legal throughout  
22 the state, and the sex industry in Nevada exploits this misconception with impunity, that  
23 is, by operating both legal and illegal brothels that violate federal immigration and anti-  
24 trafficking law, without facing enforcement from Nevada. Thus, the State of Nevada has  
25 violated the Plaintiffs’ constitutional right not to be enslaved, though maintaining a legal  
26 scheme that enabled and protected the Nevada sex trade.”
- 27 Doe’s Counsel clearly knew that it did not have a private right of action to sue for a violation  
28 of the Thirteenth Amendment. They had acknowledged this in the 2021 Lawsuit and that claim had

1 been dismissed for that same reason. Nevertheless, they filed the exact same claim against the  
 2 Mustang Defendants in the 2024 Lawsuit, then repeated that claim over and over again as the basis  
 3 for its fundraising press release and website. This is patent bad faith that should be sanctioned  
 4 pursuant to 28 U.S.C. § 1927.

5 *B. Doe's Counsel engaged in bad faith by arguing a theoretically meritorious claim for the*  
 6 *purpose of harassing the Mustang Defendants.*

7 Next, Doe's Counsel claims that the Mustang Defendants did not give any evidence in the  
 8 Motion that Doe's Counsel had argued a theoretically meritorious claim for the purpose of harassing  
 9 the Mustang Defendants. Again, this is incorrect.

10 To this day, Doe's Counsel continues to use the previously remaining claims against the  
 11 Mustang Defendants to solicit donations for NCSE. In addition to its many, many references to the  
 12 Thirteenth Amendment, the NCSE website cited above also repeats all of its other slanderous  
 13 allegations against the Mustang Defendants in its ongoing demands for donations. When the Mustang  
 14 Defendants sought to have Doe's Complaint struck for its violation of FRCP 12(f), Doe vigorously  
 15 fought that motion and insisted that all of its immaterial, impertinent, and scandalous allegations  
 16 remain in the pleading. Doe walked away from this lawsuit when her request for anonymity was  
 17 denied, but her attorneys are still using it to fundraise.

18 If Doe and Doe's Counsel were not arguing these claims for the purpose of harassing the  
 19 Mustang Defendants, they would not have used this lawsuit for its unending fundraising campaign.  
 20 Doe's Counsel has been extremely clear: their goal is to eradicate legal prostitution in Nevada. They  
 21 have been unsuccessful in litigating the matter directly, so it appears that they are instead trying to  
 22 drive the brothels out of business through these frivolous lawsuits. Again, this is clear bad faith.

23 *C. Doe's Counsel multiplied the proceedings by repeatedly filing lawsuits that it knew could*  
 24 *not pass legal muster.*

25 Doe's Counsel also argues that the Motion fails to identify any specific conduct or filings that  
 26 multiplied the proceedings. This is again incorrect. As discussed throughout the Motion, Doe's  
 27 Counsel has repeatedly filed nearly identical lawsuits with the express goal of outlawing prostitution  
 28 in Nevada. These lawsuits have repeatedly failed. 28 U.S.C. § 1927 and this Court's inherent authority

1 exist so the Court can look at the whole of counsel's conduct and determine whether sanctions are  
2 warranted, rather than being limited to reviewing specific actions in a vacuum.

3 Doe's Counsel also multiplied the proceedings by insisting that all of its scandalous and  
4 immaterial allegations against the Mustang Defendants remain in the lawsuit, using those allegations  
5 to fundraise, and then simply abandoning the lawsuit when this Court issued a decision they did not  
6 like. Doe's claims that her life would be in danger if she were to disclose her identity – which is a  
7 bedrock principal of our country's public court system – have already been repeatedly considered and  
8 rejected by this Court.

9 *D. NCSE's fundraising tactics are based entirely on the filing of these frivolous lawsuits.*

10 Lastly, Doe's Counsel argues that NCSE's fundraising tactics are standard in any non-profit  
11 and that granting the Motion would have a chilling effect on any non-profit advocacy. This is simply  
12 untrue. As was repeatedly shown throughout the Motion, NCSE has filed lawsuits that are bound to  
13 be dismissed and used those frivolous lawsuits to solicit donations. In doing so, NCSE is using the  
14 legal system – and these various defendants – as props for its press releases and YouTube videos.  
15 NCSE and Doe's Counsel are well aware that its attempts to outlaw prostitution in this state cannot  
16 succeed in the courts. Nevertheless, it has filed them against various parties, including the Mustang  
17 Defendants, so it can use those claims to convince its donors to give them more money.

18 As has been shown in public disclosures by NCSE, the organization received approximately  
19 \$4.9 million in donations for the fiscal year ending June 2023 and \$5.4 million in donations for the  
20 fiscal year ending June 2024.<sup>2</sup> Its lawsuit-driven fundraising is clearly effective, but the Mustang  
21 Defendants should not bear the cost of these publicity stunts.

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<sup>2</sup> <https://projects.propublica.org/nonprofits/organizations/132608326>



**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of the law office of Gunderson Law Firm, and that on the 22<sup>nd</sup> day of May, 2025, I electronically filed a true and correct copy of the **REPLY IN SUPPORT OF MOTION FOR SANCTIONS**, with the Clerk of the Court by using the electronic filing system which will send a notice of electronic filing to the following:

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*/s./ Cinnamon Konieczka*  
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**EXHIBIT LIST**

<b>Exhibit #</b>	<b>Description</b>	<b>Pages</b>
Exhibit “1”	Press Release	4